

and received under this scheme and how far it has increased the ability of the indigenous manufacturers so that they may come up to the standard and specifications laid down by the experts.

SHRI S. KRISHNA KUMAR. Sir, as will be seen from the answer to the main question, the import which was made of fire doors was only of the order of Rs. 6 lakhs in 1991-92. This quantum of order is not considered sufficient for setting up any joint ventures or including any negotiations. We have been trying to indigenise all equipments and as a part of this, fire doors are also sought to be indigenised. Some firms have registered with us but they are yet to obtain Lloyd's certification as well as the technical testing clearance which are required.

SHRI MUMTAZ ANSARI: It has been pointed out in 'd' part of the Statement by the hon. Minister that we are indigenising our ship building and we have achieved much success which ranges from 60 per cent to 90 per cent and this also depends upon the specific kinds of ships. So, I would like to ask one question to the hon. Minister regarding specific ships which were commissioned during 1989-90, namely, Lok Pratima, Abishekh, Avtar and IPV Lakshmi Bai. What was the percentage of indigenous equipments and tools used in them and that was the percentage of imported machinery and equipment? I would like to know about these from the hon. Minister.

SHRI S. KRISHNA KUMAR: Sir, about 35 ships of different kinds are under construction in the three ship yards. I may not be able to give details ship wise but I will say that, I have a list of 11 ships built at along GRSE with the percentage of indigenisation. If the hon. Member wants that, I will read out. But there are in fact six types of vessels which are normally under construction in our three ship yards. In survey Vessels, we have achieved indigenisation of 91 per cent, in Seaward Defence Boats of 89 per cent, in P-16A (Frigate) of 82 per cent, in Fleet Tankers of 82 per cent, in P-25A (Corvettes) of 60-70 per cent and in on-shore Patrol Vessels of 56 per cent.

[Translation]

SHRIMATI SHEELA GAUTAM: Mr Speaker, Sir, hon Minister has just now said that five doors of the order of Rs. 6 lakhs have been imported. I would like to submit that such imports should not be made and small enterprenures should be allowed to set up such factories. Will Government consider this suggestion?

[English]

SHRI S. KRISHNA KUMAR. Sir, indigenisation is an on-going process and it is given the highest priority in the Defence Ministry. There are some firms which are already registered in this particular item. We shall give the maximum possible support to them. They have not been able to get the Lloyd's Registration Certificate or their equipments tested and passed by the Central Building Research Institute.

[Translation]

Internal Savings

*433. **SHRI GAYA PRASAD KORI:** Will the Minister of FINANCE be pleased to state

(a) whether the Government have taken measures to mobilise resources by encouraging internal savings rather than taking loans from foreign countries;

(b) if so, the details of the plans framed in this regards; and

(c) if not, the reasons therefor?

[English]

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) to (c). Yes, Sir. The Government of India are fully aware of the importance of internal savings and have always taken measures to encourage the same. Our dependence on foreign savings for implementing our Plan programmes has been minimal. More than 90 per cent of the funds required for investment purposes

have been met through internal resources. Of the total gross domestic savings in the country, households savings constitute nearly 80 per cent. Foreign loans are taken not simply to raise resources but to finance the balance of payments gap. The receipts from non tax revenue are expected to register a significant increase in 1992-93 over 1991-92 particularly from dividends and profits.

The ratio of gross domestic savings to GDP at current market prices was 20.5 per cent during the Seventh Plan period (1985-90) as compared with 19.7 per cent during the Sixth Plan period (1980-85). In 1990-91, the Quick Estimates of the Central Statistical Organisation indicate a ratio of gross domestic savings to GDP of 21.9 per cent.

[English]

SHRI RAM KAPSE: Sir, there is an obvious mistake in the reply. Can I point it out?

MR SPEAKER: You may do it after wards. I will give you a chance.

[Translation]

SHRI GAYA PRASAD KORI: Mr Speaker, Sir, in the Budget presented recently various tax concessions available under 80L, 80 CCA and 80 CCB have been withdrawn for the year 1992-93. This step on the one hand will discourage saving tendency among the people while on the other State Governments share in the savings will also decline. As a result of which the development of states will come to stand still. The State Governments particularly Uttar Pradesh Government have not been provided funds for their annual plan by Central Government. At the same time the decision of withdrawing the concessions will reduce the deposits under small savings schemes. I would like to know from the hon. Minister what measures are being taken by the Central Government to check present declining trend in savings?

SHRI RAMESHWAR THAKUR: Only yesterday the hon. Minister Finance in his

reply to the debate on the Budget stated that the State Governments will get more funds in the current year i.e. 1992-93 as compared to that provided earlier. They will be provided this money as assistance. The money they receive through savings is actually a loan. He also assured to consider members in regard to 80L, 80 CCA and 80 CCB.

SHRI GAYA PRASAD KORI: All India Rural Bank Workers Organisation has suggested to issue rural development bonds for encouraging savings in rural areas. These bonds can be for a period of five years and tax free. I would like to draw the attention of the Government to the fact that these people are going on strike on 31st March in support of their this demand. I would like to know what action is proposed to be taken by the Government in regard to this demand of Rural Bank Workers?

SHRI RAMESHWAR THAKUR: The suggestion is not related to our savings scheme. Rural Banks are implementing our rural area saving schemes very well.

SHRI SUDHIR GIRI: Sir, may I know from the hon. Minister whether the decision of the Central Government to deduct tax at source has caused decline in the domestic savings in different States, and if so, what remedial measures have been taken by the Government so that the domestic savings can be increased to a great extent?

THE MINISTER OF FINANCE (SHRI MANMOHAN SINGH): Mr Speaker, Sir, there is no evidence that tax deduction at source has caused any decline in savings. Nevertheless, in deference to the wishes expressed in this House, we have, this year, withdrawn the tax deduction at source as far as bank deposits are concerned.

DR KARTIKESWAR PATRA: I would categorically like to know from the Hon. Minister what special measures have been taken by the Government to encourage the resource mobilisation so as to encourage the internal savings.

MR SPEAKER: He gave the reply while

answering the first question itself.

DR. KARTIKESWAR PATRA: No, Sir, that has not been replied. I am asking about the steps taken after the introduction of new economic policy.

SHRI RAMESHWAR THAKUR: Sir, a number of policy decisions have been taken by the hon. Finance Minister in regard to raising the internal resources, which are part of the economic policy of the Government, in particular in regard to the small savings towards which the hon. Member has drawn our attention. A Committee under the Chairman of Shri C. Rangarajan. Member of the Planning Commission, was appointed which gave its recommendations. A number of recommendations of the Committee have been accepted by the Government which *inertia* include raising the rate of interest on post office monthly income scheme from 12 per cent to 14 per cent; calculation of interest on post office time deposit on quarterly basis and reduction in the maturity period of Kisan Vikas Patra from five- and-a-half years to five years. These are the major recommendations which we have accepted. All efforts are being made to raise the internal savings in all respects through these measures of the Government.

SHRI RAM KAPSE: Sir, there is an obvious mistake in the reply given by the Minister. The question was about taking loan from foreign country and the reply is: "Our dependence on foreign savings for implementing our plan programme has been minimal". We depend upon our domestic savings and not on foreign savings but the reference in the written reply is otherwise. I would like the Minister to correct the reply and then I will ask the question.

SHRI RAMESHWAR THAKUR: I think there has been some confusion. In my reply I have said, foreign loan and not foreign savings.

SHRI RAM KAPSE: "Of the total gross domestic savings in the country, households savings constitute nearly 80 per cent." This is the sentence which is given in the reply that he has circulated to us.

SHRI MANMOHAN SINGH: So, what is wrong in this? There is nothing wrong in that statement.

SHRI RAM KAPSE: Sir, out of the total gross domestic savings in the country, households savings constitute nearly 80 per cent. The Minister of State has replied that the Finance Minister yesterday told the House that he will consider 80-L, 80-CCA and all that. But if I heard him properly, I think he only talked about 80-L and not about anything else. So, I would like to know what will be the effect of the new income tax proposal on our domestic savings.

SHRI MANMOHAN SINGH: Mr Speaker, Sir various tax concessions do have some influence in influencing the composition of national savings. Whether they are held in one form or the other but it is far from obvious that these tax saving *per se* have an effect on the total amount of national savings.

SHRI NIRMAI KANTI CHATTERJEE: This time, he is wrong!

[Translation]

Gold Brought to India

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* 435. **SHRI B.L. SHARMA PREM**
SHRI PHOOL CHAND VERMA

Will the Minister of FINANCE be pleased to state:

(a) the quantity of gold brought to India after the facility to bring five kg. gold in the country was provided by the Government, and

• (b) the amount of import duty realised therefrom?

[English]

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) Under this facility, 39.587 kg. of gold has been imported upto March 24, 1992.